infancy. The mass of the people—the peasants—still supply their own modest wants almost entirely. The women make, in their own homes, the garments required by the household for summer and winter, using home-spun wool and home-woven cotton. A village expert fashions the leather embroidered coats worn by men and women alike. In the mountains, often the foot-gear is still of local manufacture. (Hats and shoes are mainly imported from the town, however.) Houses are made of locally-felled and sawn timber, and all the household utensils and furniture, except the crockery, are made in the village.

THERE is little accumulated capital in the country, and it is natural that modern industrial developments should tend to be based on local raw materials and traditional skill. Home-grown wheat, maize and barley feed the flour-milling and brewing industries which are well developed. There are about 400 large flour mills, steam driven and capable of producing graded flour. These are mainly in the Old Kingdom and grind wheat chiefly. The wheat districts of Bessarabia and Bucovina have a number of modern mills, as well as a large number of windmills, but the maize districts still use the old-fashioned water-mills, which can only grind coarse meal. The brewing industry has been encouraged by the government, partly with the idea of reducing the consumption of the potent alcoholic beverage, "ţuica", which the peasants distil from plums. Most of the breweries are either in Bucureşti and Iaşi or in one of the larger Saxon towns of Transylvania. Potato and maize spirit are made on a large scale, particularly in Transylvania, for export.

FOR POTTERY MAKING the Dobrogea supplies a good kaolin, but the industry has not reached a high stage of development, although the ancient peasant pottery has much merit in form and decoration. This is due in part to lack of suitable fuel for the furnaces.

WITH the acquisition of Transylvania, Roumania has become independent in the matter of that most important constructional commodity, cement.

THE TEXTILE INDUSTRY is still backward. The post-war development is chiefly in the Banat, where, under protection, silk, artificial silk, cotton and wool have made

288 progress. The production of cocoons is in the neighbourhood of half a million pounds weight per annum. The production of boots and shoes is sufficient to supply the home market but the quality is poor.

FOREIGN TRADE.

ROUMANIA produces in bulk for export three things: timber, grain and oil. The market for timber is the eastern Mediterranean and chiefly Egypt. Where good rail communications are lacking, the timber is moved from the forested Carpathians by water. Much is floated down the various tributaries of the Siret to Galaţi and the Black Sea. It is unfortunate that up-stream transport to western markets for this bulky commodity should be so difficult, while in the Levant it has to meet the severe competition of cheap Russian timber. In the up-stream markets there has been keen competition from Jugoslavia and Poland. Cheap rail freights and abatement of export tax are means taken to combat the retrogression of the trade.

439

WITH REGARD to trade in grain, Roumania suffers in common with all grain-surplus producing countries. Before the War the lower Danube and Black Sea grain trade was closely linked with the demand for British coal in the Mediterranean countries, the return cargo ensuring cheap freights for a more or less regular supply. The slump in the British coal trade, the check on production brought about by the break up of large estates, a series of bad harvests, and finally a world slump in grain prices, which reduced the export price of wheat below that of the home market, all these factors have been at work in reducing the wheat trade of Roumania and producing a consistent decrease in the average value per ton. Poor transport facilities and port equipment have also acted adversely in the moving of timber and grain.

THE EXPORT of petroleum increased from 2.8 million tons in 1929 to 5.6 million tons in 1933, drilling activities having increased, especially in the Dambovița district. The port of Constanţa has been considerably improved by the installation of 10-inch pipe-lines, the construction of oil reservoirs, the fitting of special hose-handling cranes and the doubling of the railway track between Cernavoda and Constanţa.

RUMANIA

433 The alimentary industry includes the important sections of sugar-refining, milling, alcohol distillation, and brewing.

[288] The textile industries have shown the greatest expansion, owing to the excessive protection they have enjoyed. The woollen industry is capable now of producing excellent cloths, most of the yarn being supplied by the local spinning mills, which employ wools produced in the country.

The artificial silk and cotton mills obtain their yarn from abroad, practically duty free, and are able to supply about three-fourths of the local requirements. Only the better qualities of cottons are imported, while foreign silks are practically excluded by the prohibitive duty imposed on them.

The knitting industry has also secured a complete control of the market, and no foreign knitted articles are imported.

[313] The lumber industry was some time ago one of the most prosperous in the country. Until 1925 its output was about 3,200,000 cubic metres of timber, out of which some two million cubic metres were exported annually. Since 1930 the demand has fallen off very considerably, and huge stocks have accumulated, and as prices have dropped the sawmills are registering immense losses. Thus one well-known timber firm, the Foresta, had sustained a loss of 250 million lei during 1930, and it may be said that actually all the timber industry is in a very precarious condition, owing to its inability to cope with Russian competition.

[282] The leather industry obtains all its raw material locally, and its production of sole leather and uppers is sufficient for the home requirements. Even gloves, leather cases, etc., are manufactured locally, and only a very limited quantity of fine and superior leather is now being imported.

000 The following table shows a detailed list of imports during 1930:

A. TEXTILES AND TEXTILE FIBRES

248 In the years preceding the war, Rumania had been making efforts, with some success, to reduce the degree of her previous dependence on imports of textile fibres. The cotton crop of fair average quality, though still far short of the expanded [236] mill capacity, was gradually increasing, while indigenous wool supplies—though chiefly of coarse quality—were in the main enough for peasant clothing. Home-grown crops of hemp and flax were sufficient for internal needs, while jute, coir and hard hemps were imported to complete the requirements of industrial fibres.

248 439 The cessation of imports and loss of territory to her neighbours have entirely changed the supply picture, and combined with demands by Germany for imports have greatly reduced the textile "standard of living."

1. *Cotton*

With the development of her processing industry, Rumania had increased raw cotton imports and was successfully encouraging domestic cotton production. By 1938, imports at some 21,000 tons were about five times larger than those of 1932, and the domestic crop yield, less than 20 tons in 1932, had risen to about 600 tons. The principal sources of raw cotton were Egypt, the U.S.A., and Great Britain.

With the outbreak of war, Rumanian imports generally were curtailed, the combined total of raw cotton and cotton materials being 14,700 tons in 1940, and 13,800 tons in 1941. Thereafter, Rumania was dependent on such supplies as she could obtain by barter, lower grade cotton from Turkey and Italy and cotton and staple fibre union cloth from Italy.

248 Since 1938 the Rumanian cotton crop has continued to increase, though it is still very short of normal requirements, while the cession of some 8,000 ha. (20,000 acres) of cotton land to Bulgaria in 1940, and unfavourable weather conditions, tended to restrict the cotton-growing programme.

Prior to the territorial changes of 1940, cotton was grown close to the Danube at Craiova, and especially in the Southern Dobruja. With the cession of most of this land to Bulgaria, cotton is now mostly grown on the north bank of the Danube, at Banloc near Timişoara in the Banat and in the districts of Teleorman, Vlasca and Ialomiţa. The crop in 1939 was 2,200 tons from less than 10,000 ha. (24,000 acres) and in 1942 was estimated at 5,000 tons from about 20,000 ha. (50,000 acres). A further increase in area has been planned, but the harvest, particularly in the north, is largely dependent upon climatic conditions. The type of cotton now produced is considered superior to Indian, and similar in quality to American.

●288 The chief mill centres are at Arad, Bucarest, Cluj, Iaşi, Lugoj and Timişoara; of these, Cluj is the only one to have been affected by the [655] transfer of territory. Cotton supplies are distributed under the direction of the Department of Industry and Trade by "Romacotin," which also has a monopoly of purchase from producers at prices fixed by the General Price Commissariat. Cotton may be sold only to these Government agencies to whom it has to be delivered by

288 31st December. There appears to be a good deal of passive resistance and hoarding.

Cotton spindles had increased from 35,600 in 1927 to 250,000 in 1938, and altogether there were 18 mills of some importance. Power looms in 1938 are believed to have amounted to about 16,000. The apparent disproportion of spindle compared with loom capacity was due to Rumania being a fairly important buyer of foreign yarns, imports being 23,000 tons in 1936, 27,000 in 1937, 14,000 in 1938 and 15,000 in 1939. About 70 per cent. of these yarns were of coarse cotton, called "peasants' yarns," for use in the handicraft industry only, and imported mainly from Czechoslovakia, Germany, Italy and Great Britain.

2. Wool

236 Rumania, which had the largest wool-growing industry in S.E. Europe, was also the most important consumer. Production of raw wool in 1938 was about 20,000 tons (greasy) and imports were about 1,000 tons, and of wool yarn about 2,500 tons. On account of its coarse quality, not much more than one-third of the domestic wool clip is ordinarily used in the mechanised industry, the bulk being consumed in village handicraft. Since the war and subsequent loss of territory, [233] the sheep population of Rumania is believed to have declined by some 25 to 30 per cent., and all imports have ceased, so that the industry is now entirely dependent upon the reduced domestic clip.

288 Rumania was never a large importer of woollen cloth, and the weaving industry was always more highly developed than the spinning. The output of cloth in 1936 and 1937 being 6,000 tons and 6,600 tons respectively. In 1938, there were 127,000 mechanised spindles and 4,300 looms, the chief mill centres, in order of importance, being at Buhuşi (district of Neamţi), Braşov, Timişoara, Bacău, Bucarest and Sibiu.

655 Both the raw material and the woollen-textile
236 industry are nominally under strict Government
288 control, as by a decree in April 1942, the numbers of sheep and lambs and the quantity of shorn wool must be declared each year, and the wool itself must be surrendered to collecting centres at specified dates. As the due date for the 1942 collection had to be extended month by month up till January 10th 1943, and all penalties abrogated, the success of the scheme appears to have been doubtful. No wool can be bought or sold except by permit of the Ministry of National Economy, and distribution to the mills is entrusted to an organisation known as "OFIL" (*Oficiul Lânei*), a company with a capital of 10 million lei, and including all firms concerned in the preparation of wool.

3. Hemp

248 In 1937 the area under hemp, which is grown chiefly in the Banat, was 50,000 ha. (123,000 acres) and the outturn 27,000 tons, most of which was consumed internally. Exact details of wartime plantings are not known, but are reported as 45,000 ha. (112,000 acres) and 32,500 ha. (80,300 acres) in 1941 and 1942, and the yield at about 21,000 and 20,000 tons respectively. For 1943, farmers have been urged to plant more hemp—the "national textile"—in order to cover clothing.

CHAPTER VI

sack and rope requirements; and a hemp and flax office has been established with a capital of 20 million lei and a credit of 500 million to distribute seed and manure, and to rent and finance retting and scutching plants. This office which is the only purchaser of these fibres, is to make no profits, and prices are to be fixed. Fifteen up-to-date plants are to be erected in 1943 in the hemp-growing areas.

Although Rumania normally had little or no export balance, Germany in 1942 demanded 15,000 tons of the 20,000 tons available. How much of this was actually delivered is not known, but the shortage of hemp and other fibres has led to amazing competition between the various industries for the remaining supplies, and a hemp rope and sack factory is to be built at Chisinau in Bessarabia, where the shortage of these goods is particularly acute.

4. Flax

Flax appears to be the only crop grown on a smaller area in 1943 than in 1941 and 1942, when 20,000 ha. (49,400 acres) were planted, as compared with 15,000 ha. (37,000 acres) in 1938 and 12,000 ha. (29,600 acres) in 1939. Preference, apparently, is to be given to hemp. The pre-war output was about 10,000 tons, but no reliable figures are available since 1939. Normally, there was no appreciable export of flax, but as with other fibres, the Germans appear to have been persistent in their demands. The Rumanian company Fuiorul Cotonese, in which German capital participates, is to build flax-retting tanks at Cereteni (in the district of Dolj) and Zimnicea (in the district of Teleorman).

5. Rayon and Staple Fibre

There were two plants erected before the war, the "Apretura" at Popesti-Leordeni and the Viscosa Românească at Lupeni, the combined daily capacity of which was 12 tons of rayon and 6 tons of staple fibre. (Approximately 4,200 tons rayon and 2,100 tons of staple fibre annually.) There has been but little expansion since, and the present annual production is estimated at 4,400 tons rayon and 2,600 tons staple fibre. Imports from Italy have been 450 tons in 1940, and 2,500 in 1941. Germany promised substantial quantities, but it is doubtful whether they fully materialised. Applications for permission to erect a new pulp mill have been made by both German and Italian interests, but it seems that the Germans objected to Snia Viscosa's being granted a concession and obtained it themselves later.

6. Silk

Although Rumania is within the orbit of the silk belt, output is small, reaching a maximum of 20 tons of cocoons in pre-war years, and 35 tons of reeled silk were imported, principally from Italy. Silkworm breeding is located in the Banat and in common with the drive for increased silk production in German Europe, Rumania has made efforts to increase silkworm breeding.

In 1937 about 5,000 workers were engaged in silk weaving (probably including artificial silk); this number was increased to 7,336 in 1941. It is reported that the cocoon crop is now delivered to the Air and Marine Ministries, presumably for making cartridge bags, etc.

7. Other Fibres

Raw jute imports averaged about 5,500 tons annually before the war, and in addition there were smaller imports of jute cloth and bags

248 439 Paper, and paper mixed with hemp, are now used to substitute jute.

Although a comparatively large producer of soft hemp, Rumania normally needed to import about 2,300 tons of other hemps for special purposes, and the sources of these imports have been severed since her entry into the war.

Comparatively negligible amounts of coir were also imported in peacetime.

●288 291 434 **8. Clothes Rationing**

Unlike almost all other Enemy and Occupied countries, Rumania possesses no official clothes-ration card, although purchases are restricted to a specific number of garments per year. Since 1940 the Government, anxious to avoid the necessity for a card rationing system, has adopted various means in an endeavour to overcome the shortage of textiles, particularly of cotton and wool.

Standardisation of fabrics and fixed prices were introduced in 1940, but clothing of standardised material was frequently unobtainable since the price did not leave the retailer a profit.

Army demands soon called for a great increase in clothing production, thereby reducing the stocks and greatly raising prices of civilian clothing—those for overcoats rose by 300 per cent. and for knitted goods by 400 per cent.—and the difficulty of importing raw materials soon reacted on the industry, so that by 1941 the textile shortage, particularly of bed linen, had become serious. Later in the same year, the Ministry of supply blocked the sale of all semi-manufactured or manufactured blankets.

Early in 1942 the Government requested the public to purchase only necessities, ordering the industry at the same time to use cotton allocations for the manufacture of standardised bed linen and clothing only. Later in 1942 it was decreed that the annual allotment of garments per head of the population was two suits .. frocks, one overcoat, three shirts, 12 handkerchiefs, three pairs of socks or stockings, one sheet, three towels. The sale of standard cloth was restricted to three metres per person per annum. For this arrangement, however, clothing coupons were not issued and purchasers were requested to produce their identity cards and a signed certificate of need if the purchase exceeded 300 lei.

291 435 Non-standard articles are still obtainable, but their exorbitant prices make them accessible to a limited section of the public only. Retailers are known to have refused the sale of standard cloth even when displayed, in order to secure, if possible, the higher profit margin for non-standard goods.

[565] The members of the public most severely affected by clothing shortage and high prices are industrial workers and the poorer urban population. Though the large firms are supposed by law to supply their employees with clothing (as well as food) at cheap prices, it is thought that this is not being widely practised.

Prices of all materials for men's garments have risen to such an extent that people cannot afford to buy even such goods as are available in the shops.

248 656 To counteract shortage of clothing fibres, peasants are being encouraged by the Government to increase cultivation of flax and hemp for production of the rough cloth suitable for peasant clothing.

CHAPTER XI

463 438 industrial labour. One-third of all workers engaged in industry are independent artisans, on whom the community is dependent for its services, but who do not play any important part in war production. In certain of the larger armament works German controllers have effected a considerable degree of rationalisation.

3. Mining

316 727 There is a shortage of miners; Russian prisoners of war have been employed in mining during 1942. Many miners were reported to have been included in the territory transferred to Hungary.

4. Armament Works

719 464 There is a general shortage of labour in metal and engineering factories, particularly of skilled labour. A 12-hour day was legalised at the beginning of 1942, but it is doubtful if in fact a 12-hour day is ever worked.

5. Timber

313 464 There is a shortage of labour, both for lumbering and for timber manufacture.

6. Textiles and Clothing

464 288 294 The total number of workers in these industries has probably fallen considerably, due to reduction of available raw materials. The delivery of supplies to individual mills seems to be somewhat erratic, and there is evidence of considerable part-time work: for instance in a survey of some 43 factories in December, 1942, 11 were working full time, 21 on a reduced scale, and 11 at a very reduced scale.

7. Building

499 712 464 The extent of fortification building and general road and rail construction in Rumania is unknown, but in the second half of 1942 there was evidence of a scarcity of general labour for such projects, and of Russian prisoners of war working on rail construction.

438 464 [759] In the other branches of occupation, transport services, etc., there is no evidence of labour shortage apart from doctors, many of whom have been mobilised for the army.

D. CONTROL OF LABOUR

1. The Youth Labour Service

466 883 A youth labour service founded on the German model was established in March 1941. The leaders were trained in Germany, but it was only in April 1942 that the labour camps began to function. Youths are called up in their 19th–20th year, and the period of service lasts 7 months.

(*See* Part II, Chapter V.B for further details.)

2. Civil Mobilisation

466 A general civil mobilisation decree was passed in May 1941 by which (1) employment cards were introduced, (2) men and women aged 20-57 were liable to compulsory employment if not employed.

Two subsequent decrees were published in March and May 1943, one for the reorganisation of agriculture, forestry and fishing, and the second for the reorganisation of industry. Each of these decrees gave full powers to the appropriate authorities for the mobilisation and transfer of labour.

In addition to the general labour decrees which have so far had little influence on the labour situation, there have been regional decrees applying to individual localities, e.g. in Bessarabia in February 1942 all the inhabitants aged 12-70 were called upon for compulsory agricultural labour unless already employed.